



Substitute House Bill No. 7229

Public Act No. 17-214

***AN ACT CONCERNING THE CREATION OF CONNECTICUT
BROWNFIELD LAND BANKS, REVISIONS TO THE BROWNFIELD
REMEDIATION AND REVITALIZATION PROGRAM AND
AUTHORIZING BONDS OF THE STATE FOR BROWNFIELD
REMEDIATION AND DEVELOPMENT PROGRAMS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 32-760 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

As used in this [section and sections 32-761 to 32-769, inclusive] chapter and sections 2 to 6, inclusive, of this act:

(1) "Bona fide prospective purchaser" means a person who acquires ownership of a property after July 1, 2011, and establishes by a preponderance of the evidence that:

(A) All disposal of regulated substances at the property occurred before such person acquired the property;

(B) Such person made all appropriate inquiries, as set forth in 40 CFR Part 312, into the previous ownership and uses of the property in accordance with generally accepted good commercial and customary standards and practices, including, but not limited to, the standards and practices set forth in the ASTM Standard Practice for

Substitute House Bill No. 7229

Environmental Site Assessments, Phase I Environmental Site Assessment Process, in effect on the date such person acquired the property. In the case of property in residential or other similar use at the time of purchase by a nongovernmental or noncommercial entity, a property inspection and a title search that reveal no basis for further investigation shall be considered to satisfy the requirements of this subparagraph;

(C) Such person provides all legally required notices with respect to the discovery or release of any regulated substances at the property;

(D) Such person exercises appropriate care with respect to regulated substances found at the property by taking reasonable steps to (i) stop any continuing release, (ii) prevent any threatened future release, and (iii) prevent or limit human, environmental or natural resource exposure to any previously released regulated substance;

(E) Such person provides full cooperation, assistance and access to persons authorized to conduct response actions or natural resource restoration at the property, including, but not limited to, the cooperation and access necessary for the installation, integrity, operation and maintenance of any complete or partial response actions or natural resource restoration at the property;

(F) Such person complies with any land use restrictions established or relied on in connection with the response action at the property and does not impede the effectiveness or integrity of any institutional control employed at the property in connection with a response action; and

(G) Such person complies with any request for information from the Commissioner of Energy and Environmental Protection;

(2) "Brownfield" means any abandoned or underutilized site where redevelopment, reuse or expansion has not occurred due to the

Substitute House Bill No. 7229

presence or potential presence of pollution in the buildings, soil or groundwater that requires investigation or remediation before or in conjunction with the redevelopment, reuse or expansion of the property;

(3) "Commissioner" means the Commissioner of Economic and Community Development;

(4) "Contiguous property owner" means a person who owns real property contiguous to or otherwise similarly situated with respect to, and that is or may be contaminated by a release or threatened release of a regulated substance from, real property that is not owned by that person, provided:

(A) With respect to the property owned by such person, such person takes reasonable steps to (i) stop any continuing release of any regulated substance released on or from the property, (ii) prevent any threatened future release of any regulated substance released on or from the property, and (iii) prevent or limit human, environmental or natural resource exposure to any regulated substance released on or from the property;

(B) Such person provides full cooperation, assistance and access to persons authorized to conduct response actions or natural resource restoration at the property from which there has been a release or threatened release, including, but not limited to, the cooperation and access necessary for the installation, integrity, operation and maintenance of any complete or partial response action or natural resource restoration at the property;

(C) Such person complies with any land use restrictions established or relied on in connection with the response action at the property and does not impede the effectiveness or integrity of any institutional control employed in connection with a response action;

Substitute House Bill No. 7229

(D) Such person complies with any request for information from the Commissioner of Energy and Environmental Protection; and

(E) Such person provides all legally required notices with respect to the discovery or release of any hazardous substances at the property;

(5) "Department" means the Department of Economic and Community Development;

(6) "Economic development agency" means (A) a municipal economic development agency or entity created or operating under chapter 130 or 132; (B) a nonprofit economic development corporation formed to promote the common good, general welfare and economic development of a municipality or a region that is funded, either directly or through in-kind services, in part by one or more municipalities; (C) a nonstock corporation or limited liability company established or controlled by a municipality, municipal economic development agency or an entity created or operating under chapter 130 or 132; or (D) an agency, as defined in section 32-327;

(7) "Eligible costs" means the costs associated with the investigation, assessment, remediation and development of a brownfield, including, but not limited to, (A) soil, groundwater and infrastructure investigation, (B) assessment, (C) remediation, (D) abatement, (E) hazardous materials or waste disposal, (F) long-term groundwater or natural attenuation monitoring, (G) (i) environmental land use restrictions, (ii) activity and use limitations, or (iii) other forms of institutional control, (H) attorneys' fees, (I) planning, engineering and environmental consulting, and (J) building and structural issues, including demolition, asbestos abatement, polychlorinated biphenyls removal, contaminated wood or paint removal, and other infrastructure remedial activities;

(8) "Financial assistance" means grants, loans or loan guarantees, or

Substitute House Bill No. 7229

any combination thereof;

(9) "Innocent landowner" has the same meaning as provided in section 22a-452d;

(10) "Interim verification" has the same meaning as provided in section 22a-134, as amended by this act;

(11) "Manufacturing facility" means a business establishment classified under sector 31, 32 or 33 of the North American Industrial Classification System;

(12) "Municipality" means a town, city, consolidated town and city or consolidated town and borough. For purposes of sections 2 to 6, inclusive, of this act, "municipality" includes a district, as defined in section 7-324, a metropolitan area, as defined in section 7-333, and any political subdivision of the state that has the power to levy taxes and to issue bonds, notes or other obligations;

(13) "PCB regulations" means the polychlorinated biphenyls manufacturing, processing, distribution in commerce and use prohibitions found at 40 CFR Part 761;

(14) "Person" means any individual, firm, partnership, association, syndicate, company, trust, corporation, nonstock corporation, limited liability company, municipality, economic development agency, agency or political or administrative subdivision of the state or any other legal entity;

(15) "Real property" means land, buildings and other structures and improvements thereto, subterranean or subsurface rights, any and all easements, air rights and franchises of any kind or nature;

(16) "Regulated substance" has the same meaning as provided in section 22a-134g;

Substitute House Bill No. 7229

(17) "Release" means any discharge, spillage, uncontrolled loss, seepage, filtration, leakage, injection, escape, dumping, pumping, pouring, emitting, emptying or disposal of a substance;

(18) "Remediation standards" has the same meaning as provided in section 22a-134, as amended by this act;

(19) "State" means the state of Connecticut;

(20) "UST regulations" means the regulations adopted pursuant to subsection (d) of section 22a-449; [and]

(21) "Verification" has the same meaning as provided in section 22a-134, as amended by this act; and

(22) "Connecticut brownfield land bank" means a Connecticut nonstock corporation, certified by the Commissioner of Economic and Community Development pursuant to section 2 of this act, established for the purposes of (A) acquiring, retaining, remediating and selling brownfields in the state for the benefit of municipalities, (B) educating government officials, community leaders, economic development agencies and nonprofit organizations on best practices for redeveloping brownfields, and (C) engaging in all other activities in accordance with sections 2 to 6, inclusive, of this act.

Sec. 2. (NEW) (*Effective July 1, 2017*) (a) Any Connecticut nonstock corporation may apply to the Commissioner of Economic and Community Development for certification as a Connecticut brownfield land bank by submitting to the commissioner, on forms provided by the commissioner, an application containing such information as the commissioner deems necessary, including, but not limited to:

(1) The certificate of incorporation and bylaws of the applicant;

(2) A list of the current officers and directors of the applicant;

Substitute House Bill No. 7229

(3) A proposed land banking agreement with one or more municipalities;

(4) Information concerning the financial and technical capability of the applicant to fulfill the purposes of a Connecticut brownfield land bank, as described in section 4 of this act; and

(5) A proposed business plan for such land bank.

(b) The commissioner may approve or reject any application for certification properly submitted in accordance with this section. In reviewing an application and determining whether to approve such application, the commissioner shall consider the following criteria:

(1) The financial and technical capabilities of the applicant to fulfill the purposes of a Connecticut brownfield land bank, as described in section 4 of this act;

(2) The relative economic condition of the municipalities the applicant intends to serve;

(3) The level of support for such applicant from municipalities;

(4) The quality of the applicant's business plan; and

(5) Such other criteria consistent with the purposes of sections 2 to 6, inclusive, of this act, as the commissioner may establish.

(c) If the commissioner approves an application for certification as a Connecticut brownfield land bank, the commissioner shall issue a Connecticut brownfield land bank certificate to the successful applicant and such applicant shall be granted the rights, privileges and immunities provided under sections 2 to 6, inclusive, of this act.

(d) Not later than January thirty-first, annually, each Connecticut brownfield land bank shall report to the commissioner on its activities

Substitute House Bill No. 7229

for the preceding year and provide the commissioner any such information as the commissioner deems necessary, including, but not limited to: (1) An updated list of its current officers and directors; (2) an updated business plan; (3) a complete operating and financial statement; and (4) a copy of any land banking agreements entered into during the preceding year.

(e) The commissioner shall review the annual report of each Connecticut brownfield land bank and determine whether each land bank is in compliance with the provisions of subsection (d) of this section. If the commissioner determines that a Connecticut brownfield land bank is not in compliance with such provisions, the commissioner shall notify the officers of such land bank, in writing, that the commissioner shall decertify the land bank after the one-hundred-twentieth day after the date of mailing the notice unless such land bank submits a revised annual report that the commissioner determines is compliant with the provisions of subsection (d) of this section. The commissioner, at his or her discretion, may grant a sixty-day extension for such land bank to submit such revised annual report.

(f) Any Connecticut brownfield land bank that is decertified by the commissioner shall not enter into any additional land banking agreement. Decertification of a Connecticut brownfield land bank shall not terminate the rights or obligations of such land bank under sections 2 to 6, inclusive, of this act with respect to any property acquired or land banking agreement entered into prior to the date of decertification. Any Connecticut brownfield land bank that is decertified by the commissioner may apply for re-certification under subsection (a) of this section.

Sec. 3. (NEW) (*Effective July 1, 2017*) (a) The powers of a Connecticut brownfield land bank shall be vested in and exercised by a board of directors that shall consist of not less than five and not more than eleven members, each with knowledge and expertise in matters related

Substitute House Bill No. 7229

to the purposes and activities of a Connecticut brownfield land bank, as established in section 4 of this act. The board shall elect from its members a chairperson and such other officers as it deems necessary and shall adopt such bylaws and procedures it deems necessary to carry out its functions. The board may establish committees and subcommittees as necessary to conduct its business.

(b) Notwithstanding any provision of the general statutes, any public officer shall be eligible to serve as a member of the board of directors and the acceptance of the appointment shall neither terminate nor impair such public office. For purposes of this section, "public officer" means a person who is elected or appointed to any state or municipal office. Any state or municipal employee shall be eligible to serve as a board member.

(c) Members of the board of directors shall have the power to organize and reorganize the executive, administrative, clerical and other departments of a Connecticut brownfield land bank and to fix the duties, powers and compensation of all employees, agents and consultants of a Connecticut brownfield land bank.

(d) Board members shall serve without compensation, provided each board member shall be entitled to reimbursement for such member's actual and necessary expenses incurred during the performance of such member's official duties.

(e) Members of the board of directors shall not be liable personally on the loans or other obligations or environmental liabilities of the Connecticut brownfield land bank, and the rights of creditors shall be solely against such land bank.

Sec. 4. (NEW) (*Effective July 1, 2017*) (a) The purposes of a Connecticut brownfield land bank shall be to (1) acquire, retain, remediate and sell brownfields in the state on behalf of municipalities

Substitute House Bill No. 7229

pursuant to land banking agreements with such municipalities, (2) educate government officials, community leaders, economic development agencies and nonprofit organizations on best practices for redeveloping brownfields, and (3) engage in all other activities in accordance with sections 2 to 6, inclusive, of this act. In addition to those powers, rights, privileges and immunities granted under chapter 602 of the general statutes, a Connecticut brownfield land bank is authorized and empowered to do the following in furtherance of its purposes:

(A) Enter into land banking agreements with municipalities for the acquisition, retention, remediation and sale of real property within such municipalities on behalf of such municipalities.

(B) Enter into contracts and agreements with municipalities for staffing services to be provided to the Connecticut brownfield land bank by such municipalities, or agencies or departments thereof, or for a Connecticut brownfield land bank to provide such staffing services to such municipalities, or agencies or departments thereof in relation to the duties of such land bank.

(C) Obtain grant funds or borrow from private lenders, municipalities, the state or the federal government, as may be necessary, for the operation of such Connecticut brownfield land bank.

(D) Procure insurance or guarantees from the state or federal government of the payments of any debts, or parts thereof, incurred by such Connecticut brownfield land bank, and to pay premiums in connection therewith.

(E) Do all other things necessary or convenient to achieve the purposes of such Connecticut brownfield land bank and comply with any law relating to the purposes and responsibilities of such land bank.

Substitute House Bill No. 7229

(F) Acquire real property, as described in subsection (b) of section 6 of this act, by purchase contracts, lease purchase agreements, installment sales contracts, land contracts and foreclosure of municipal tax liens. A Connecticut brownfield land bank may accept transfers of real property from municipalities upon such terms and conditions as agreed to by the brownfield land bank and the municipality. Notwithstanding any provision of the general statutes or of any special act, municipal charter or home rule ordinance, any municipality may transfer and convey to a Connecticut brownfield land bank real property and interests in real property located in the municipality on such terms and conditions and according to such procedures as determined by the municipality.

(b) A Connecticut brownfield land bank shall neither possess nor exercise the power of eminent domain.

Sec. 5. (NEW) (*Effective July 1, 2017*) The exercise of the powers granted by sections 2 to 6, inclusive, of this act, shall be in all respects for the benefit of the people of the state, for the increase of their commerce, welfare and prosperity, and as the exercise of such powers shall constitute the performance of an essential public function, a Connecticut brownfield land bank shall not be required to pay any taxes or assessments upon or in respect of any revenues or property received, acquired, transferred or used by such Connecticut brownfield land bank, or upon or in respect of the income from such revenues or property.

Sec. 6. (NEW) (*Effective July 1, 2017*) (a) A Connecticut brownfield land bank shall hold in its own name all real property acquired by such land bank irrespective of the identity of the transferor of such property.

(b) A Connecticut brownfield land bank shall acquire only brownfield sites and other real property, located adjacent or in close

Substitute House Bill No. 7229

proximity to brownfield sites to be acquired, that are identified in a land banking agreement between such Connecticut brownfield land bank and the municipality in which such properties are located.

(c) A Connecticut brownfield land bank shall maintain and make available for public review and inspection an inventory of all real property held by such land bank.

(d) A Connecticut brownfield land bank shall determine and set forth in policies and procedures the general terms and conditions for consideration to be received by such land bank for the transfer to such land bank of real property and interests in real property, which consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of such real property, contractual commitments of the transferee, and such other forms of consideration as determined by the board of directors to be in the best interest of such land bank.

(e) A Connecticut brownfield land bank may convey, exchange, sell, transfer, lease as lessee, grant, release and demise, pledge and hypothecate any and all interests in, upon or to real property of the brownfield land bank, provided such land bank may only convey, exchange, transfer or sell real property with the approval of the municipality in which such real property is located pursuant to the terms of a land banking agreement entered into with such municipality.

Sec. 7. Subsection (a) of section 12-81r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(a) Any municipality may (1) enter into an agreement with the owner of any real property to abate the property tax due as of the date of the agreement for a period not to exceed seven years if the property

Substitute House Bill No. 7229

has been subject to a spill, as defined in section 22a-452c, and the owner agrees to conduct any environmental site assessment, demolition and remediation of the spill necessary to redevelop the property. Any such tax abatement shall only be for the period of remediation and redevelopment and shall be contingent upon the continuation and completion of the remediation and redevelopment process with respect to the purposes specified in the agreement. The abatement shall cease upon the sale or transfer of the property for any other purpose unless the municipality consents to its continuation. The municipality may also establish a recapture provision in the event of sale provided such recapture shall not exceed the original amount of taxes abated and may not go back further than the date of the agreement; (2) forgive all or a portion of the principal balance and interest due on delinquent property taxes for the benefit of any prospective purchaser who has obtained an environmental investigation or remediation plan approved by the Commissioner of Energy and Environmental Protection or a licensed environmental professional under section 22a-133w, 22a-133x or 22a-133y and completes such remediation plan for an establishment, as defined in section 22a-134, as amended by this act, deemed by the municipality to be abandoned or a brownfield, as defined in section 32-760, as amended by this act; [or] (3) enter into an agreement with the owner of any real property to fix the assessment of the property as of the last assessment date prior to commencement of remediation activities for a period not to exceed seven years, provided the property has been the subject of a remediation approved by the Commissioner of Energy and Environmental Protection or verified by a licensed environmental professional pursuant to section 22a-133w, 22a-133x, 22a-133y or 22a-134, as amended by this act; or (4) forgive all or a portion of the principal balance and interest due on delinquent property taxes for the benefit of any Connecticut brownfield land bank, as defined in section 32-760, as amended by this act, that has acquired or will acquire any real property within the municipality.

Substitute House Bill No. 7229

Sec. 8. Section 22a-133dd of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(a) Any municipality or any licensed environmental professional employed or retained by a municipality may enter, without liability upon any property within such municipality for the purpose of performing an environmental site assessment or investigation on behalf of the municipality if: (1) The owner of such property cannot be located; (2) such property is encumbered by a lien for taxes due such municipality; (3) upon a filing of a notice of eminent domain; (4) the municipality's legislative body finds that such investigation is in the public interest to determine if the property is underutilized or should be included in any undertaking of development, redevelopment or remediation pursuant to this chapter or chapter 130, 132 or 581; or (5) any official of the municipality reasonably finds such investigation necessary to determine if such property presents a risk to the safety, health or welfare of the public or a risk to the environment. A Connecticut brownfield land bank or any licensed environmental professional employed or retained by such Connecticut brownfield land bank may enter, without liability, upon any property subject to a land banking agreement between such Connecticut brownfield land bank and the municipality in which such property is located for the purpose of performing an environmental site assessment or investigation on behalf of such Connecticut brownfield land bank if: (A) Such environmental site assessment or investigation is required under a land banking agreement between such municipality and such Connecticut brownfield land bank, and such municipality is otherwise authorized under this subsection to enter such property without liability, or (B) the property owner has entered into a voluntary agreement with such municipality or such land bank for the performance of an environmental site assessment or investigation. The municipality or, if applicable, the Connecticut brownfield land bank shall give at least forty-five days' notice of such entry before the first

Substitute House Bill No. 7229

such entry by certified mail to the property owner's last known address of record.

(b) A municipality or Connecticut brownfield land bank accessing or entering a property to perform an investigation pursuant to this section shall not be liable for preexisting conditions pursuant to section 22a-432, 22a-433, 22a-451 or 22a-452, or to the property owner or any third party, provided the municipality or Connecticut brownfield land bank (1) did not establish, cause or contribute to the discharge, spillage, uncontrolled loss, seepage or filtration of such hazardous substance, material, waste or pollution; (2) does not negligently or recklessly exacerbate the conditions; and (3) complies with reporting of significant environmental hazard requirements pursuant to section 22a-6u. To the extent that any conditions are negligently or recklessly exacerbated, the municipality or Connecticut brownfield land bank shall only be responsible for responding to contamination exacerbated by its activities.

(c) The owner of the property may object to such access and entry by the municipality or Connecticut brownfield land bank by filing an action in the Superior Court not later than thirty days after receipt of the notice provided pursuant to subsection (a) of this section, provided any objection be limited to the issue of whether access is necessary and only upon proof by the owner that the owner has (1) completed or is in the process of completing in a timely manner a comprehensive environmental site assessment or investigation report; (2) provided the party seeking access with a copy of the assessment or report or will do so not later than thirty days after the delivery of such assessment or report to the owner; and (3) paid any delinquent property taxes assessed against the property for which access is being sought.

(d) For purposes of this section, (1) "municipality" includes any (A) municipality, (B) municipal economic development agency or entity created or operating under chapter 130 or 132, (C) nonprofit economic

Substitute House Bill No. 7229

development corporation formed to promote the common good, general welfare and economic development of a municipality that is funded, either directly or through in-kind services, in part by a municipality, or (D) nonstock corporation or limited liability company established and controlled by a municipality, municipal economic development agency or entity created or operating under chapter 130 or 132; and (2) "Connecticut brownfield land bank" has the same meaning as provided in section 32-760, as amended by this act.

Sec. 9. Subsection (a) of section 22a-133ii of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(a) For the purposes of this section:

(1) "Applicant" means any (A) municipality, (B) economic development agency or entity established pursuant to chapter 130 or 132, (C) nonprofit economic development corporation formed to promote the common good, general welfare and economic development of a municipality and that is funded, either directly or through in-kind services, in part by a municipality, [or] (D) a nonstock corporation or limited liability company controlled or established by a municipality, municipal economic development agency or entity created or operating pursuant to chapter 130 or 132, or (E) Connecticut brownfield land bank, as defined in section 32-760, as amended by this act;

(2) "Municipality" has the same meaning as provided in section 8-187;

(3) "Brownfield" has the same meaning as provided in section 32-760, as amended by this act;

(4) "Commissioner" means the Commissioner of Energy and Environmental Protection;

Substitute House Bill No. 7229

(5) "Regulated substance" means any oil or petroleum or chemical liquid or solid, liquid or gaseous product or hazardous waste; and

(6) "Person" has the same meaning as provided in section 22a-2, as amended by this act.

Sec. 10. Subdivision (1) of section 22a-134 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(1) "Transfer of establishment" means any transaction or proceeding through which an establishment undergoes a change in ownership, but does not mean:

(A) Conveyance or extinguishment of an easement;

(B) Conveyance of an establishment through a foreclosure, as defined in subsection (b) of section 22a-452f, foreclosure of a municipal tax lien or through a tax warrant sale pursuant to section 12-157, an exercise of eminent domain by a municipality or pursuant to section 8-128, 8-169e or 8-193 or by condemnation pursuant to section 32-224 or purchase pursuant to a resolution by the legislative body of a municipality authorizing the acquisition through eminent domain for establishments that also meet the definition of a brownfield, as defined in section 32-760, as amended by this act, or a subsequent transfer by such municipality that has foreclosed on the property, foreclosed municipal tax liens or that has acquired title to the property through section 12-157, or is within the pilot program established in subsection (c) of section 32-9cc of the general statutes, revision of 1958, revised to January 1, 2013, or the remedial action and redevelopment municipal grant program established in section 32-763, as amended by this act, or has acquired such property through the exercise of eminent domain by a municipality or pursuant to section 8-128, 8-169e or 8-193 or by condemnation pursuant to section 32-224 or a resolution adopted in

Substitute House Bill No. 7229

accordance with this subparagraph, provided (i) the party acquiring the property from the municipality did not establish, create or contribute to the contamination at the establishment and is not affiliated with any person who established, created or contributed to such contamination or with any person who is or was an owner or certifying party for the establishment, and (ii) on or before the date the party acquires the property from the municipality, such party or municipality enters and subsequently remains in the voluntary remediation program administered by the commissioner pursuant to section 22a-133x and remains in compliance with schedules and approvals issued by the commissioner. For purposes of this subparagraph, subsequent transfer by a municipality includes any transfer to, from or between a municipality, municipal economic development agency or entity created or operating under chapter 130 or 132, a nonprofit economic development corporation formed to promote the common good, general welfare and economic development of a municipality that is funded, either directly or through in-kind services, in part by a municipality, [or] a nonstock corporation or limited liability company controlled or established by a municipality, municipal economic development agency or entity created or operating under chapter 130 or 132, or a Connecticut brownfield land bank;

(C) Conveyance of a deed in lieu of foreclosure to a lender, as defined in and that qualifies for the secured lender exemption pursuant to subsection (b) of section 22a-452f;

(D) Conveyance of a security interest, as defined in subdivision (7) of subsection (b) of section 22a-452f;

(E) Termination of a lease and conveyance, assignment or execution of a lease for a period less than ninety-nine years including conveyance, assignment or execution of a lease with options or similar terms that will extend the period of the leasehold to ninety-nine years,

Substitute House Bill No. 7229

or from the commencement of the leasehold, ninety-nine years, including conveyance, assignment or execution of a lease with options or similar terms that will extend the period of the leasehold to ninety-nine years, or from the commencement of the leasehold;

(F) Any change in ownership approved by the Probate Court;

(G) Devolution of title to a surviving joint tenant, or to a trustee, executor or administrator under the terms of a testamentary trust or will, or by intestate succession;

(H) Corporate reorganization not substantially affecting the ownership of the establishment;

(I) The issuance of stock or other securities of an entity which owns or operates an establishment;

(J) The transfer of stock, securities or other ownership interests representing less than forty per cent of the ownership of the entity that owns or operates the establishment;

(K) Any conveyance of an interest in an establishment where the transferor is the sibling, spouse, child, parent, grandparent, child of a sibling or sibling of a parent of the transferee;

(L) Conveyance of an interest in an establishment to a trustee of an inter vivos trust created by the transferor solely for the benefit of one or more siblings, spouses, children, parents, grandchildren, children of a sibling or siblings of a parent of the transferor;

(M) Any conveyance of a portion of a parcel upon which portion no establishment is or has been located and upon which there has not occurred a discharge, spillage, uncontrolled loss, seepage or filtration of hazardous waste, provided either the area of such portion is not greater than fifty per cent of the area of such parcel or written notice of

Substitute House Bill No. 7229

such proposed conveyance and an environmental condition assessment form for such parcel is provided to the commissioner sixty days prior to such conveyance;

(N) Conveyance of a service station, as defined in subdivision (5) of this section;

(O) Any conveyance of an establishment which, prior to July 1, 1997, had been developed solely for residential use and such use has not changed;

(P) Any conveyance of an establishment to any entity created or operating under chapter 130 or 132, or to an urban rehabilitation agency, as defined in section 8-292, or to a municipality under section 32-224, or to Connecticut Innovations, Incorporated or any subsidiary of the corporation;

(Q) Any conveyance of a parcel in connection with the acquisition of properties to effectuate the development of the overall project, as defined in section 32-651;

(R) The conversion of a general or limited partnership to a limited liability company;

(S) The transfer of general partnership property held in the names of all of its general partners to a general partnership which includes as general partners immediately after the transfer all of the same persons as were general partners immediately prior to the transfer;

(T) The transfer of general partnership property held in the names of all of its general partners to a limited liability company which includes as members immediately after the transfer all of the same persons as were general partners immediately prior to the transfer;

(U) Acquisition of an establishment by any governmental or quasi-

Substitute House Bill No. 7229

governmental condemning authority;

(V) Conveyance of any real property or business operation that would qualify as an establishment solely as a result of (i) the generation of more than one hundred kilograms of universal waste in a calendar month, (ii) the storage, handling or transportation of universal waste generated at a different location, or (iii) activities undertaken at a universal waste transfer facility, provided any such real property or business operation does not otherwise qualify as an establishment; there has been no discharge, spillage, uncontrolled loss, seepage or filtration of a universal waste or a constituent of universal waste that is a hazardous substance at or from such real property or business operation; and universal waste is not also recycled, treated, except for treatment of a universal waste pursuant to 40 CFR 273.13(a)(2) or (c)(2) or 40 CFR 273.33 (a)(2) or (c)(2), or disposed of at such real property or business operation;

(W) Conveyance of a unit in a residential common interest community in accordance with section 22a-134i;

(X) Acquisition of an establishment that is in the abandoned brownfield cleanup program established pursuant to section 32-768, as amended by this act, and all subsequent transfers of the establishment, provided the establishment is undergoing remediation or is remediated in accordance with subsection (f) of section 32-768;

(Y) Any transfer of title from a bankruptcy court or a municipality to a nonprofit organization;

(Z) Acquisition of an establishment that is in the brownfield remediation and revitalization program and all subsequent transfers of the establishment, provided the establishment is in compliance with the brownfield investigation plan and remediation schedule, the commissioner has issued a no audit letter or successful audit closure

Substitute House Bill No. 7229

letter in response to a verification or interim verification submitted regarding the remediation of such establishment under the brownfield remediation and revitalization program, or a one-hundred-eighty-day period has expired since a verification or interim verification submitted regarding the remediation of such establishment under the brownfield remediation and revitalization program without an audit decision from the Commissioner of Energy and Environmental Protection;

(AA) Conveyance of an establishment in connection with the acquisition of properties to effectuate the development of a project certified and approved pursuant to section 32-9v, provided any such property is investigated and remediated in accordance with section 22a-133y; [or]

(BB) Conveyance from the Department of Transportation to the Connecticut Airport Authority of any properties comprising (i) Bradley International Airport and all related improvements and facilities now in existence and as hereafter acquired, added, extended, improved and equipped, including any property or facilities purchased with funds of, or revenues derived from, Bradley International Airport, and any other property or facilities allocated by the state, the Connecticut Airport Authority or otherwise to Bradley International Airport, (ii) the state-owned and operated general aviation airports, including Danielson Airport, Groton/New London Airport, Hartford Brainard Airport, Waterbury-Oxford Airport and Windham Airport and any such other airport as may be owned, operated or managed by the Connecticut Airport Authority and designated as general aviation airports, (iii) any other airport as may be owned, operated or managed by the Connecticut Airport Authority, and (iv) any airport site or any part thereof, including, but not limited to, any restricted landing areas and any air navigation facilities; or

(CC) Conveyance of an establishment to a Connecticut brownfield

Substitute House Bill No. 7229

land bank and all subsequent transfers of such establishment, provided (i) such establishment was entered into a remediation or liability relief program under section 22a-133x, 22a-133y, 32-768, as amended by this act, or 32-769, as amended by this act, and the conveyor or transferor of such establishment is in compliance with such program at the time of transfer of such establishment, and (ii) none of the activities described in subdivision (3) of this section were conducted at such establishment after the date such establishment was entered into such remediation or liability relief program;

Sec. 11. Section 22a-134 of the general statutes is amended by adding subdivision (29) as follows (*Effective July 1, 2017*):

(NEW) (29) "Connecticut brownfield land bank" has the same meaning as provided in section 32-760, as amended by this act.

Sec. 12. Section 32-763 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(a) There is established a remedial action and redevelopment municipal grant program to be administered by the Department of Economic and Community Development for the purpose of providing grants to municipalities, Connecticut brownfield land banks and economic development agencies for the eligible costs of brownfield remediation projects, brownfield assessment projects and reasonable administrative expenses not to exceed five per cent of any grant awarded. A grant awarded under this section shall not exceed four million dollars.

(b) A grant applicant shall submit an application to the Commissioner of Economic and Community Development on forms provided by the commissioner and with such information the commissioner deems necessary, including, but not limited to: (1) A description of the proposed project; (2) an explanation of the expected

Substitute House Bill No. 7229

benefits of the project in relation to the purposes of this section; (3) information concerning the financial and technical capacity of the applicant to undertake the proposed project; (4) a project budget; and (5) with respect to a brownfield remediation project, a description of the condition of the brownfield, including the results of any environmental assessment of the brownfield in the possession of or available to the applicant.

(c) The commissioner may approve, reject or modify any application properly submitted in accordance with the provisions of this section. In reviewing an application and determining the amount of the grant, if any, to be provided, the commissioner shall consider the following criteria: (1) The availability of funds; (2) the estimated costs of assessing and remediating the brownfield, if known; (3) the relative economic condition of the municipality in which the brownfield is located; (4) the relative need of the project for financial assistance; (5) the degree to which a grant under this section is necessary to induce the applicant to undertake the project; (6) the public health and environmental benefits of the project; (7) the relative benefits of the project to the municipality, the region and the state, including, but not limited to, the extent to which the project will likely result in a contribution to the municipality's tax base, the retention and creation of jobs and the reduction of blight; (8) the time frame in which the contamination occurred; (9) the relationship of the applicant to the person or entity that caused the contamination; (10) the length of time the brownfield has been abandoned; (11) the taxes owed and the projected revenues that may be restored to the community; (12) the relative need for assessment of the brownfield within the municipality or region; and (13) such other criteria as the commissioner may establish consistent with the purposes of this section.

(d) The commissioner shall award grants on a competitive basis, based on a request for applications occurring on or before October

Substitute House Bill No. 7229

first, annually. The commissioner may increase the frequency of requests for applications and awards depending upon the number of applicants and the availability of funding.

(e) The commissioner, in consultation with the Commissioner of Energy and Environmental Protection and following the award of a grant to a municipality, Connecticut brownfield land bank or economic development agency pursuant to subsections (c) and (d) of this section, may award an additional grant to such municipality, Connecticut brownfield land bank or economic development agency to enable the completion of a brownfield remediation or assessment project, provided such project is identified as a priority by said commissioners and such additional grant funds (1) will be used to address unexpected cost overruns or costs related to remedial activities that will provide a greater environmental benefit than originally proposed pursuant to subsection (b) of this section, (2) do not exceed fifty per cent of the original grant, and (3) will not result in more than four million dollars in total grants being awarded for a single brownfield remediation or assessment project.

(f) The commissioner may award grants to any municipality, Connecticut brownfield land bank, economic development agency or regional council of governments organized under sections 4-124i to 4-124p, inclusive, for the eligible costs of developing a comprehensive plan for the remediation and redevelopment of multiple brownfields whenever such plan is consistent with the state plan of conservation and development, adopted pursuant to chapter 297, and the plan of conservation and development, adopted pursuant to section 8-23, for each municipality in which such brownfields are located. For purposes of this subsection, "eligible costs" shall also include expenditures associated with the development of any such plan for remediation and redevelopment.

(g) The provisions of sections 32-5a and 32-701 shall not apply to

Substitute House Bill No. 7229

grants provided pursuant to this section.

Sec. 13. Subsections (c) and (d) of section 32-768 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(c) Notwithstanding the provisions of subsection (b) of this section, a property owned by a municipality, a Connecticut brownfield land bank or an economic development agency shall not be subject to subdivision (6) of subsection (b) of this section.

(d) Notwithstanding the provisions of subsection (b) of this section, a municipality or a Connecticut brownfield land bank may request the Commissioner of Economic and Community Development to determine if a property is eligible regardless of the person who currently owns such property.

Sec. 14. Section 32-769 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(a) The commissioner shall, within available appropriations, establish a brownfield remediation and revitalization program to provide certain liability protections to program participants. Not more than thirty-two properties per year shall be accepted into the program. Participation in the program shall be by accepted application pursuant to this subsection or by approved nomination pursuant to subsection (c) of this section. To be considered for acceptance, an applicant shall submit to the commissioner, on a form prescribed by the commissioner, a certification that: (1) The applicant meets the definition of a bona fide prospective purchaser, innocent landowner or contiguous property owner; (2) the property meets the definition of a brownfield and has been subject to a release of a regulated substance in an amount that is in excess of the remediation standards; (3) the applicant did not establish, create or maintain a source of pollution to

Substitute House Bill No. 7229

the waters of the state for purposes of section 22a-432 and is not responsible pursuant to any other provision of the general statutes for any pollution or source of pollution on the property; (4) the applicant is not affiliated with any person responsible for such pollution or source of pollution through any direct or indirect familial relationship or any contractual, corporate or financial relationship other than that by which such purchaser's interest in such property is to be conveyed or financed; and (5) the property is not (A) currently the subject of an enforcement action, including any consent order issued by the Department of Energy and Environmental Protection or the United States Environmental Protection Agency under any current Department of Energy and Environmental Protection or United States Environmental Protection Agency program, (B) listed on the national priorities list of hazardous waste disposal sites compiled by the United States Environmental Protection Agency pursuant to 42 USC 9605, (C) listed on the State of Connecticut Superfund Priority List, or (D) subject to corrective action as may be required by the federal Resource Conservation and Recovery Act of 1976, 42 USC 6901 et seq. The commissioner may review such certifications to ensure accuracy, in consultation with the Commissioner of Energy and Environmental Protection, and applications will not be considered if such certifications are found inaccurate.

(b) To ensure a geographic distribution and a diversity of projects and broad access to the brownfield remediation and revitalization program, the commissioner, in consultation with the Commissioner of Energy and Environmental Protection, shall review all applications received and determine admission of eligible properties into the brownfield remediation and revitalization program taking into consideration state-wide portfolio factors including: (1) Job creation and retention; (2) sustainability; (3) readiness to proceed; (4) geographic distribution of projects; (5) population of the municipality where the property is located; (6) project size; (7) project complexity;

Substitute House Bill No. 7229

(8) duration and degree to which the property has been underused; (9) projected increase to the municipal grand list; (10) consistency of the property as remediated and developed with municipal or regional planning objectives; (11) development plan's support for and furtherance of principles of smart growth, as defined in section 1 of public act 09-230, or transit-oriented development, as defined in section 13b-79o; and (12) other factors as may be determined by the commissioner. Admittance into the brownfield remediation and revitalization program shall not indicate approval or award of funding requested under any federal, state or municipal grant or loan program, including, but not limited to, any state brownfield grant or loan program.

(c) The commissioner shall accept nominations of properties for participation in the program established pursuant to subsection (a) of this section by a municipality or an economic development agency, where no bona fide prospective purchaser, contiguous property owner or innocent landowner has applied for participation in the program. For a property to be considered for approval for nomination to the program established pursuant to this section, a municipality shall submit to the commissioner, on a form prescribed by the commissioner, a certification that the property meets the eligibility requirements provided in subdivisions (2) and (5) of subsection (a) of this section and any other relevant factors, including state-wide portfolio factors provided in subsection (b) of this section, as may be determined by the commissioner. After the commissioner approves a property's nomination, any subsequent applicant shall apply in accordance with subsections (a) and (f) of this section. In any such application, the applicant shall demonstrate it satisfies the eligibility requirements provided in subdivisions (1), (3) and (4) of subsection (a) of this section and shall demonstrate satisfaction of subdivisions (2) and (5) of subsection (a) of this section for the period after the commissioner's acceptance of the municipality's or economic

Substitute House Bill No. 7229

development agency's nomination of the property.

(d) (1) Properties otherwise eligible for the brownfield remediation and revitalization program currently being investigated and remediated in accordance with the state voluntary remediation programs under sections 22a-133x and 22a-133y, the property transfer program under section 22a-134, as amended by this act, and the covenant not to sue programs under section 22a-133aa or 22a-133bb shall not be excluded from eligibility in said program, provided the other requirements set forth in this section are met.

(2) Properties otherwise eligible for the brownfield remediation and revitalization program that have been subject to a release requiring action pursuant to the PCB regulations or that have been subject to a release requiring action pursuant to the UST regulations shall not be deemed ineligible, but no provision of this section shall affect any eligible party's obligation under such regulations to investigate or remediate the extent of any such release.

(e) Inclusion of a property within the brownfield remediation and revitalization program by the commissioner shall not limit any person's ability to seek funding for such property under any federal, state or municipal grant or loan program, including, but not limited to, any state brownfield grant or loan program. Admittance into the brownfield remediation and revitalization program shall not indicate approval or award of funding requested under any federal, state or municipal grant or loan program, including, but not limited to, any state brownfield grant or loan program.

(f) Any applicant seeking a designation of eligibility for a person or a property under the brownfield remediation and revitalization program shall apply to the commissioner at such times and on such forms as the commissioner may prescribe. The application shall include, but not be limited to, (1) a title search, (2) the Phase I

Substitute House Bill No. 7229

Environmental Site Assessment conducted by or for the bona fide prospective purchaser or the contiguous property owner, which shall be prepared in accordance with prevailing standards and guidelines, (3) a current property inspection, if requested by the commissioner, (4) documentation demonstrating satisfaction of the eligibility criteria set forth in subsection (a) of this section, (5) information about the project that relates to the state-wide portfolio factors set forth in subsection (b) of this section, and (6) such other information as the commissioner may request to determine admission.

(g) Any applicant accepted into the brownfield remediation and revitalization program by the commissioner shall pay the Commissioner of Energy and Environmental Protection a fee equal to five per cent of the assessed value of the land, as stated on the last-completed grand list of the relevant town. The fee shall be paid in two installments, each equal to fifty per cent of such fee, subject to potential reductions as specified in subsection (h) of this section. The first installment shall be due not later than one hundred eighty days after the later of the date such applicant is notified that the application has been accepted by the commissioner or the date that such applicant takes title to the eligible property. The second installment shall be due not later than four years after the acceptance date. Upon request by such applicant, a municipality or an economic development agency, the commissioner may, at the commissioner's discretion, extend either or both of the installment due dates. Such fee shall be deposited into the Special Contaminated Property Remediation and Insurance Fund established pursuant to section 22a-133t and shall be available for use by the Commissioner of Energy and Environmental Protection pursuant to section 22a-133u.

(h) (1) The first installment of the fee in subsection (g) of this section shall be reduced by ten per cent for any eligible party that completes and submits to the Commissioner of Energy and Environmental

Substitute House Bill No. 7229

Protection documentation, approved in writing by a licensed environmental professional and on a form prescribed by said commissioner, that the investigation of the property has been completed in accordance with prevailing standards and guidelines within one hundred eighty days after the date the application is accepted by the commissioner.

(2) The second installment of the fee in subsection (g) of this section shall be eliminated for any eligible party that submits the remedial action report and verification or interim verification to the Commissioner of Energy and Environmental Protection within four years after the date the application is accepted by the commissioner. In the event an eligible party submits a request for the Commissioner of Energy and Environmental Protection's approval, where such approval is required pursuant to the remediation standard and where said commissioner issues a decision on such request beyond sixty days after submittal, such four-year period shall be extended by the number of days equal to the number of days between the sixtieth day and the date a decision is issued by said commissioner, but not including the number of days that a request by said commissioner for supplemental information remains pending with the eligible party.

(3) The second installment of the fee in subsection (g) of this section shall be reduced by, or any eligible party shall receive a refund in the amount equal to, twice the reasonable environmental service costs of such investigation, as determined by the Commissioner of Energy and Environmental Protection, for any eligible party that completes and submits to the Commissioner of Energy and Environmental Protection documentation, approved in writing by a licensed environmental professional and on a form that may be prescribed by said commissioner, that the investigation of the nature and extent of any contamination that has migrated from the property has been completed in accordance with prevailing standards and guidelines.

Substitute House Bill No. 7229

Such refund shall not exceed the amount of the second installment of the fee in subsection (g) of this section.

(4) No municipality or economic development agency seeking designation of eligibility shall be required to pay a fee, provided, upon transfer of the eligible property from the municipality or economic development agency to an eligible person, that eligible person shall pay to the Commissioner of Energy and Environmental Protection the fee in subsection (g) of this section in accordance with the applicable requirements in this subsection.

(5) A municipality or economic development agency may submit a fee waiver request to the commissioner to waive a portion or the entire fee for an eligible property located within that municipality. The commissioner, at his or her discretion, shall consider the following factors in determining whether to approve a fee waiver or reduction: (A) Location of the brownfield within a distressed municipality, as defined in section 32-9p; (B) demonstration by the municipality or economic development agency that the project is of significant economic impact; (C) demonstration by the municipality or economic development agency that the project has a significant community benefit to the municipality; (D) demonstration that the eligible party is a governmental or nonprofit entity; and (E) demonstration that the fee required will have a detrimental effect on the overall success of the project.

(i) (1) An applicant whose application has been accepted into the brownfield remediation and revitalization program shall not be liable to the state or any person for the release of any regulated substance at or from the eligible property, except and only to the extent that such applicant (A) caused or contributed to the release of a regulated substance that is subject to remediation or exacerbated such condition, or (B) the Commissioner of Energy and Environmental Protection determines the existence of any of the conditions set forth in

Substitute House Bill No. 7229

subdivision (4) of subsection (m) of this section.

(2) If such applicant conveys or, prior to July 1, 2017, conveyed a security interest, as defined in section 22a-452f, in the eligible property to a lender, as defined in section 22a-452f, and such lender (A) did not establish, create or maintain a source of pollution to the waters of the state for purposes of section 22a-432, (B) is not responsible pursuant to any other provision of the general statutes for any pollution or source of pollution on the eligible property, and (C) is not affiliated with any person responsible for such pollution or source of pollution through any direct or indirect familial relationship or any contractual, corporate or financial relationship other than that creating the security interest in the eligible property, such lender shall not be liable to the state or any person for the release of any regulated substance at or from the eligible property.

(j) (1) An applicant whose application to the brownfield remediation and revitalization program has been accepted by the commissioner (A) shall investigate the release or threatened release of any regulated substance within the boundaries of the property in accordance with prevailing standards and guidelines and remediate such release or threatened release within the boundaries of such property in accordance with the brownfield investigation plan and remediation schedule and this section, and (B) shall not be required to characterize, abate and remediate the release of a regulated substance beyond the boundary of the eligible property, except for releases caused or contributed to by such applicant.

(2) Not later than one hundred eighty days after the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section, the eligible party shall submit to the commissioner and the Commissioner of Energy and Environmental Protection a brownfield investigation plan and remediation schedule that is signed and stamped by a licensed

Substitute House Bill No. 7229

environmental professional. Unless otherwise approved in writing by the Commissioner of Energy and Environmental Protection, such brownfield investigation plan and remediation schedule shall provide that (A) the investigation shall be completed not later than two years after the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section, (B) remediation shall be initiated not later than three years from the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section, and (C) remediation shall be completed sufficiently to support either a verification or interim verification not later than eight years after the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section. The schedule shall also include a schedule for providing public notice of the remediation prior to the initiation of such remediation in accordance with subdivision (1) of subsection (j) of this section. Not later than two years after the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section, unless the Commissioner of Energy and Environmental Protection has specified a later day, in writing, the eligible party shall submit to the Commissioner of Energy and Environmental Protection documentation, approved in writing by a licensed environmental professional and in a form prescribed by the Commissioner of Energy and Environmental Protection, that the investigation of the property has been completed in accordance with prevailing standards and guidelines. Not later than three years after the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section, unless the Commissioner of Energy and Environmental Protection has specified a later day, in writing, the eligible party shall notify the Commissioner of Energy and Environmental Protection and the commissioner in a form prescribed by the Commissioner of Energy and Environmental Protection that the remediation has been initiated,

Substitute House Bill No. 7229

and shall submit to the Commissioner of Energy and Environmental Protection a remedial action plan, approved in writing by a licensed environmental professional in a form prescribed by the Commissioner of Energy and Environmental Protection. Not later than eight years after the first installment due date, including any extension thereof by the commissioner, of the fee required pursuant to subsection (g) of this section, unless the Commissioner of Energy and Environmental Protection has specified a later day, in writing, the eligible party shall complete remediation of the property and submit the remedial action report and verification or interim verification to the Commissioner of Energy and Environmental Protection and the commissioner. The Commissioner of Energy and Environmental Protection shall grant a reasonable extension if the eligible party demonstrates to the satisfaction of the Commissioner of Energy and Environmental Protection that: (i) Such eligible party has made reasonable progress toward investigation and remediation of the eligible property; and (ii) despite best efforts, circumstances beyond the control of the eligible party have significantly delayed the remediation of the eligible property.

(3) The eligible party may complete the investigation and remediation of a portion of the eligible property and submit a verification or an interim verification for such portion to the Commissioner of Energy and Environmental Protection and the commissioner, provided the eligible party (A) is in compliance with the provisions of this section and the brownfield investigation plan and remediation schedule, and (B) has, prior to submitting such verification or interim verification for such portion: (i) Timely submitted documentation to the Commissioner of Energy and Environmental Protection that the investigation of the entire property is complete in accordance with prevailing standards and guidelines, in accordance with subdivision (2) of this subsection, (ii) timely notified the Commissioner of Energy and Environmental Protection that the

Substitute House Bill No. 7229

remediation was initiated and submitted to said commissioner a remedial action plan for the entire property originally accepted into the brownfield remediation and revitalization program, in accordance with subdivision (2) of this subsection, and (iii) demonstrated to the satisfaction of the Commissioner of Energy and Environmental Protection and the commissioner that it will complete the remediation of the remainder of the eligible property in accordance with the remediation schedule. For any verification or interim verification of a portion of the eligible property, the remediation of releases on and from such portion shall extend to the boundaries of the eligible property as a whole.

[(3)] (4) An eligible party who submits an interim verification for an eligible property or a portion of an eligible property, and any subsequent owner of such eligible property, shall, until the remediation standards for groundwater are achieved, (A) operate and maintain the long-term remedy for groundwater in accordance with the remedial action plan, the interim verification and any approvals issued by the Commissioner of Energy and Environmental Protection, (B) prevent exposure to any groundwater plume containing a regulated substance in excess of the remediation standards on the property, (C) take all reasonable action to contain any groundwater plume on the property, and (D) submit annual status reports to the Commissioner of Energy and Environmental Protection and the commissioner.

[(4)] (5) Before commencement of remedial action pursuant to the plan and schedule, the eligible party shall: (A) Publish notice of the remedial action in a newspaper having a substantial circulation in the town where the property is located, (B) notify the director of health of the municipality where the property is located, and (C) either (i) erect and maintain for at least thirty days in a legible condition a sign not less than six feet by four feet on the property, which shall be clearly

Substitute House Bill No. 7229

visible from the public highway and shall include the words "ENVIRONMENTAL CLEAN-UP IN PROGRESS AT THIS SITE. FOR FURTHER INFORMATION CONTACT:" and include a telephone number for an office from which any interested person may obtain additional information about the remedial action, or (ii) mail notice of the remedial action to each owner of record of property which abuts such property, at the address on the last-completed grand list of the relevant town. Public comments shall be directed to the eligible party for a thirty-day period starting with the last provided public notice provision and such eligible party shall provide all comments and any responses to the Commissioner of Energy and Environmental Protection prior to commencing remedial action.

[(5)] (6) The remedial action shall be conducted under the supervision of a licensed environmental professional and the remedial action report shall be submitted to the commissioner and the Commissioner of Energy and Environmental Protection signed and stamped by a licensed environmental professional. In such report, the licensed environmental professional shall include a detailed description of the remedial actions taken and issue a verification or interim verification for the eligible property or a portion of the eligible property, in which he or she shall render an opinion, in accordance with the standard of care provided in subsection (c) of section 22a-133w and the regulations adopted pursuant to subsection (c) of section 22a-133v, that the action taken to contain, remove or mitigate the release of regulated substances within the boundaries of such property is in accordance with the remediation standards.

[(6) All] (7) Copies of all applications for permits required to implement such plan and schedule in this section shall be submitted to the permit ombudsman within the Department of Economic and Community Development.

[(7)] (8) Each eligible party participating in the brownfield

Substitute House Bill No. 7229

remediation and revitalization program shall maintain all records related to its implementation of such plan and schedule and completion of the remedial action of the property for a period of not less than ten years and shall make such records available to the commissioner or the Commissioner of Energy and Environmental Protection at any time upon request by either.

[(8)] (9) (A) Not later than sixty days after receiving a remedial action report signed and stamped by a licensed environmental professional and a verification or interim verification for the eligible property or a portion of the eligible property, the Commissioner of Energy and Environmental Protection shall notify the eligible party and the commissioner whether the Commissioner of Energy and Environmental Protection will conduct an audit of such remedial action. Any such audit shall be conducted not later than one hundred eighty days after the Commissioner of Energy and Environmental Protection receives [a] such remedial action report [signed and stamped by a licensed environmental professional and a] and verification or interim verification, plus any additional time permitted pursuant to subparagraph (B) of this subdivision, except as provided in subparagraph (C) of this subdivision. Not later than fourteen days after completion of an audit, the Commissioner of Energy and Environmental Protection shall send written audit findings to the eligible party, the commissioner and the licensed environmental professional. The audit findings may approve or disapprove the report, provided any disapproval shall set forth the reasons for such disapproval.

(B) The Commissioner of Energy and Environmental Protection may request additional information during an audit conducted pursuant to this subdivision. If such information has not been provided to said commissioner within fourteen days of such request, the time frame for said commissioner to complete the audit shall be suspended until the

Substitute House Bill No. 7229

information is provided to said commissioner. The Commissioner of Energy and Environmental Protection may choose to conduct such audit if and when the eligible party fails to provide a response to said commissioner's request for additional information within sixty days.

(C) The Commissioner of Energy and Environmental Protection shall not conduct an audit of a verification or interim verification for the eligible property or a portion of the eligible property pursuant to this subdivision after one hundred eighty days from receipt of such verification, plus any additional time permitted pursuant to subparagraph (B) of this subdivision, unless (i) said commissioner has reason to believe that a verification was obtained through the submittal of materially inaccurate or erroneous information, or otherwise misleading information material to the verification or that material misrepresentations were made in connection with the submittal of the verification, (ii) any post-verification monitoring or operations and maintenance is required as part of a verification and has not been done, (iii) a verification that relies upon an environmental land use restriction was not recorded on the land records of the municipality in which such land is located in accordance with section 22a-133o and applicable regulations, (iv) said commissioner determines that there has been a violation of law material to the verification, or (v) said commissioner determines that information exists indicating that the remediation may have failed to prevent a substantial threat to public health or the environment for releases on the property.

(k) Not later than sixty days after receiving a notice of disapproval [or] of a verification or interim verification for the eligible property or a portion of the eligible property from the Commissioner of Energy and Environmental Protection, the eligible party shall submit to said commissioner and to the commissioner a report of cure of noted deficiencies. Within sixty days after receiving such report of cure of

Substitute House Bill No. 7229

noted deficiencies by said commissioner, said commissioner shall issue a successful audit closure letter or a written disapproval of such report of cure of noted deficiencies.

(l) Before approving a verification or interim verification for the eligible property or a portion of the eligible property, the Commissioner of Energy and Environmental Protection may enter into a memorandum of understanding with the eligible party with regard to any further remedial action or monitoring activities on or at such property that said commissioner deems necessary for the protection of human health or the environment.

(m) (1) An eligible party who has been accepted into the brownfield remediation and revitalization program shall have no obligation as part of its plan and schedule to characterize, abate and remediate any [plume] release of a regulated substance outside the boundaries of the [subject] eligible property originally accepted into the brownfield remediation and revitalization program, provided the notification requirements of section 22a-6u pertaining to significant environmental hazards shall continue to apply to the property and the eligible party shall not be required to characterize, abate or remediate any such significant environmental hazard outside the boundaries of the subject property unless such significant environmental hazard arises from the actions of the eligible party after its acquisition of or control over the property from which such significant environmental hazard has emanated outside its own boundaries. If an eligible party who has been accepted into the brownfield remediation and revitalization program conveys or otherwise transfers its ownership of the subject property and such eligible party is in compliance with the provisions of this section and the brownfield investigation plan and remediation schedule at the time of conveyance or transfer of ownership, the provisions of this section shall apply to such transferee, if such transferee meets the eligibility criteria set forth in this section, [pays

Substitute House Bill No. 7229

the] complies with the obligations undertaken by the eligible party under this section, and timely pays the greater of: (A) Any fee required by subsection (g) or (h) of this section [and complies with all the obligations undertaken by the eligible party under this section] not yet paid by such eligible party, or (B) a fee of ten thousand dollars. In such case, all references to applicant or eligible party shall mean the subsequent owner or transferee.

(2) After the Commissioner of Energy and Environmental Protection issues either a no audit letter or a successful audit closure letter, or no audit decision has been made by said commissioner within one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of subsection (j) of this section, after the submittal of the remedial action report and verification or interim verification, for the eligible property or a portion of the eligible property, such eligible party shall not be liable to the state or any person for (A) costs incurred in the remediation of, equitable relief relating to, or damages resulting from the release of regulated substances addressed in [the brownfield investigation plan and remediation schedule] such verification or interim verification, and (B) historical [off-site] impacts off the eligible property as a whole, including air deposition, waste disposal, impacts to sediments and natural resource damages. No eligible party shall be afforded any relief from liability such eligible party may have from a release requiring action pursuant to the PCB regulations or a release requiring action pursuant to the UST regulations.

(3) The provisions of this section concerning liability shall extend to any person who acquires title to all or part of the property for which a remedial action report and verification or interim verification have been submitted pursuant to this section, provided (A) there is payment of a fee of ten thousand dollars to said commissioner for each such extension, (B) such person acquiring all or part of the property meets

Substitute House Bill No. 7229

the criteria of this section, and (C) the Commissioner of Energy and Environmental Protection has issued either a successful audit closure letter or no audit letter, or no audit decision has been made by said commissioner not later than one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of subsection (j) of this section, after the submittal of the remedial action report and verification or interim verification. No municipality or economic development agency that acquires title to all or part of the property shall be required to pay a fee, provided the municipality or economic development agency shall collect and pay the fee upon transfer of the property to another person for purposes of development. Such fee shall be deposited into the Special Contaminated Property Remediation and Insurance Fund established under section 22a-133t and such funds shall be for the exclusive use by the Department of Energy and Environmental Protection.

(4) Neither a successful audit closure nor no audit letter issued pursuant to this section, nor the expiration of one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of subsection (j) of this section, after the submittal of the remedial action report and verification or interim verification without an audit decision by the Commissioner of Energy and Environmental Protection, shall preclude said commissioner from taking any appropriate action, including, but not limited to, any action to require remediation of the property by the eligible party or, as applicable, to its successor, if said commissioner determines that:

(A) The successful audit closure, no audit letter, or the expiration of one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of subsection (j) of this section, after the submittal of the remedial action report and verification or interim verification without an audit decision by the Commissioner of Energy and Environmental Protection was based on information

Substitute House Bill No. 7229

provided by the person submitting such remedial action report and verification or interim verification that the Commissioner of Energy and Environmental Protection can show that such person knew, or had reason to know, was false or misleading, and, in the case of the successor to an applicant, that such successor was aware or had reason to know that such information was false or misleading;

(B) New information confirms the existence of previously unknown contamination that resulted from a release that occurred before the date that an application has been accepted into the brownfield remediation and revitalization program;

(C) The eligible party who received the successful audit closure or no audit letter or where one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of subsection (j) of this section, lapsed without an audit decision by the Commissioner of Energy and Environmental Protection has materially failed to complete the remedial action required by the brownfield investigation plan and remediation schedule or to carry out or comply with monitoring, maintenance or operating requirements pertinent to a remedial action including the requirements of any environmental land use restriction; or

(D) The threat to human health or the environment is increased beyond an acceptable level due to substantial changes in exposure conditions at such property, including, but not limited to, a change from nonresidential to residential use of such property.

(5) If an eligible party who has been accepted into the brownfield remediation and revitalization program conveys or otherwise transfers all or part of its ownership interest in the subject property at any time before the issuance of a successful audit closure or no audit letter or the expiration of one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of

Substitute House Bill No. 7229

subsection (j) of this section, after the submittal of the remedial action report and verification or interim verification without an audit decision by the Commissioner of Energy and Environmental Protection, the eligible party conveying or otherwise transferring its ownership interest shall not be liable to the state or any person, for the portion of the property transferred, for (A) costs incurred in the remediation of, equitable relief relating to, or damages resulting from the release of regulated substances addressed in the brownfield investigation plan and remediation schedule, and (B) historical [off-site] impacts off the eligible property as a whole, including air deposition, waste disposal, impacts to sediments and natural resource damages, provided the eligible party complied with its obligations under this section during the period when the eligible party held an ownership interest in the subject property. Nothing in this subsection shall provide any relief from liability such eligible party may have related to a release requiring action pursuant to the PCB regulations, or a release requiring action pursuant to the UST regulations.

(6) Upon the Commissioner of Energy and Environmental Protection's issuance of a successful audit closure letter [] or no audit letter for the entire eligible property originally accepted into the brownfield remediation and revitalization program, or after one hundred eighty days, plus any additional time permitted pursuant to subparagraph (B) of subdivision (9) of subsection (j) of this section, have passed since the submittal of a verification or interim verification and said commissioner has not audited the verification or interim verification, the immediate prior owner regardless of its own eligibility to participate in the comprehensive brownfield remediation and revitalization program shall have no liability to the state or any person for any future investigation and remediation of the release of any regulated substance at the eligible property addressed in the verification or interim verification, provided the immediate prior owner has complied with any legal obligation such owner had with

Substitute House Bill No. 7229

respect to investigation and remediation of releases at and from the property, and provided further the immediate prior owner shall retain any and all liability such immediate prior owner would otherwise have for the investigation and remediation of the release of any regulated substance beyond the boundary of the eligible property. In any event, the immediate prior owner shall remain liable for (A) penalties or fines, if any, relating to the release of any regulated substance at or from the eligible property, (B) costs and expenses, if any, recoverable or reimbursable pursuant to sections 22a-134b, 22a-451 and 22a-452, and (C) obligations of the immediate prior owner as a certifying party on a Form III or IV submitted pursuant to sections 22a-134 to 22a-134e, inclusive, as amended by this act.

(n) A person whose application to the brownfield remediation and revitalization program has been accepted by the commissioner or any subsequent eligible party whose application to the brownfield remediation and revitalization program has been accepted by the commissioner shall be exempt for filing as an establishment pursuant to sections 22a-134a to 22a-134d, inclusive, if such real property or prior business operations constitute an establishment. Nothing in this section shall be construed to alter any existing legal requirement applicable to any certifying party at a property under sections 22a-134 and 22a-134a to 22a-134e, inclusive, as amended by this act.

(o) Notwithstanding the provisions of this section, eligible parties shall investigate and remediate, and remain subject to all applicable statutes and requirements, the extent of any new release that occurs during their ownership of the property.

Sec. 15. Subsection (b) of section 22a-2 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(b) As used in this chapter, and chapters 263, 268, 348, 360, 440,

Substitute House Bill No. 7229

446d, 446i, 446k, 447, 448, 449, 452, 462, 474, 476, 477, 478, 479, 490 and 495, except where otherwise provided, "person" means any individual, firm, partnership, association, syndicate, company, trust, corporation, nonstock corporation, limited liability company, municipality, agency or political or administrative subdivision of the state, or other legal entity of any kind.

Sec. 16. Subdivision (8) of section 22a-115 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2017*):

(8) "Person" means any individual, corporation, nonstock corporation, limited liability company, joint venture, public benefit corporation, partnership, association, trust or estate, the state and its agencies and political subdivisions, the federal government and its agencies, and any other entity, public or private, however organized;

Approved July 5, 2017